

V. ASSESSMENT OF CURRENT AND PROJECTED HOUSING NEEDS

The following section assesses Mountain View's housing needs by examining housing cost trends, income levels and employment trends. The information below is mainly derived from 1980 and 1990 U.S. Census data, the State of California Department of Finance (DOF) estimates, and ABAG "Projections 2000". 2000 Census data and "Projections 2002" data were not yet available at this level of detail. Also, in some cases, only data pertaining to the County as a whole are available. Such information describes current conditions in the Silicon Valley area, of which Mountain View is a part.

It should be noted that, with one exception, the data and tables presented in this report do not include the population of Moffett Federal Airfield, which is located in the Mountain View sphere of influence. This report uses ABAG's "Jurisdictional" estimates, which are for the City only. The one exception is Table V-9, Jobs per Employed Resident, which uses "Sphere of Influence Data," because employed resident data are not available for just Mountain View. Sphere of Influence jobs information is also presented in this table so that comparisons and trend analysis can be made.

Income Characteristics

The U.S. Department of Housing and Urban Development (HUD) annually adjusts the income limits for areas of the country that experience either unusually high or low median incomes. These income limits are used in determining program eligibility for a wide range of housing programs available to lower-income households. Typically, the definition of lower-income includes household incomes not exceeding 80 percent of median income. However, because of the relatively high median income level in Santa Clara County, HUD, in conjunction with the State's Department of Housing and Community Development (HCD), had modified these definitions to around 65 percent for the past 15 years. However, in 2001, the definition was returned to the historical 80 percent of median income. The change corresponded with an increase in Fair Market Rents for the County.

For the year 2001, HUD's definition of annual median income in Santa Clara County is \$87,300 for a household of four. HUD median income for the county increased by \$33,000, or 61 percent, from 1990 to 2000.

Table V-1
2001 HUD Income Limits
Santa Clara County

Income Category	Number Of Persons In Household							
	1	2	3	4	5	6	7	8
Extremely Low Income (30%)	\$18,350	\$20,950	\$23,550	\$26,200	\$28,300	\$30,400	\$32,500	\$34,550
Very Low Income (50%)	\$30,550	\$34,900	\$39,300	\$43,650	\$47,150	\$50,650	\$54,150	\$57,600
Low Income (80%)³	\$48,350	\$55,250	\$62,150	\$69,050	\$74,550	\$80,100	\$85,600	\$91,150
Median Income (100%)	\$61,100	\$69,800	\$78,600	\$87,300	\$94,300	\$101,300	\$108,300	\$115,200
Moderate Income (120%)	\$73,320	\$83,760	\$94,320	\$104,760	\$113,160	\$121,560	\$129,960	\$138,240

Source: Year 2001 Income Limits, U.S. Department of Housing and Urban Development (HUD).

ABAG “Projections 2000” show Mountain View’s mean household income is projected to be lower than that of the County. This projection could be attributed to the fact that Mountain View has a high proportion of small units (studios and one-bedroom apartments) whose households are more likely to have one wage earner. ABAG expects this gap to close significantly over the next five to ten years because Mountain View’s mean income is expected to grow more quickly than the County as a whole.

Table V-2
Projected Mean Income, 1990 – 2010
In Constant 2000 Dollars

Jurisdiction	1990	2000	Percent Change	2010	Percent Change
Mountain View	\$72,000	\$100,200	39.2%	\$111,500	11.3%
Santa Clara County	\$83,600	\$114,600	37.1%	\$122,800	7.2%
<i>Difference</i>	<i>\$11,600</i>	<i>\$14,400</i>		<i>\$11,300</i>	

Source: ABAG “Projections 2002”

Housing Cost

Construction Cost

Escalating land prices and construction costs contribute to the increasing housing costs in the Mountain View area. The major impediment to the production of more housing is the lack of available land. The cost of labor is also a factor. A 1998 study by the RS Means Company

³ Adjusted percentage as of 2001

showed that California cities have the highest construction cost indices in the nation. RS Means ranks construction markets according to the cost of labor and materials against a national average represented by the number 100.⁴ Indices higher than 100 indicate an expensive construction market. The following table shows the rankings of the major California construction markets (Mountain View is included in the San Jose market).

**Table V-3
California Construction Markets**

City	Labor Index	Materials Index	Total Index	Rank
San Francisco	139	110.7	124	178
San Jose	132	109.9	121	176
Oakland	129	109.5	119	175
Vallejo	129	105.4	117	174
Salinas	118	107.2	113	171
Sacramento	116	106.7	111	167
Los Angeles	118	104.9	111	167
Anaheim	117	104.8	111	164
Modesto	115	105.9	110	160
Stockton	115	105.8	110	159
San Luis Obispo	114	106.1	110	157
Long Beach	117	102.9	110	155
Fresno	114	105.2	109	152
Santa Barbara	115	104.5	109	152
Riverside	114	104.5	109	152
Santa Ana	115	102.3	108	150
San Diego	110	104.5	107	148
San Bernardino	114	100.1	107	147
Bakersfield	109	104.3	106	143

Source: RS Means 1998 Construction Cost Indices.

According to the “Jobs Housing Nexus Analysis” prepared for the City of Mountain View in February 2001, housing costs are high in Mountain View primarily due to high land costs. Based on the analysis, average development costs for one-bedroom apartment units equal \$275 per square foot, or \$180,000 per unit. The development costs for one bedroom condominiums average \$385 per square foot, or \$250,000 per unit.

As a result of high housing costs in Mountain View, lower income households are being priced out of the housing market. The high cost of housing makes it a valuable investment and typically, property owners maintain their investment and make improvements as necessary to prevent any deterioration of the housing. These improvements increase the value of housing. However, lower income households who are cost burdened cannot afford to make needed investments and cannot capitalize on the potential increase in housing value through such investments. High housing prices also discourage some owners from selling their properties for fear they will be unable to find another home they can afford, limiting the supply of available housing. Additionally, the

⁴ Only cities or MSAs with a population of 200,000 or above are included. Average index for the USA is 100.

high job growth in the Silicon Valley area has resulted in a lack of a sufficient number of housing units to meet the demand of those who are seeking a place to live.

Ownership Housing Costs

As of December 2000, the median price for a single family home in Santa Clara County was approximately \$485,000 and the median price for a condominium/townhouse was \$290,000. In Mountain View, these median prices were higher, with a median priced single family home selling for about \$650,000, and the median priced townhouse selling for \$375,000.

The affordability gaps for lower income households in Mountain View are tremendous. Most moderate-income households cannot afford a median priced home in Mountain View. A median income family of four could afford a home priced at about \$297,000, or \$353,000 less than the median priced home in Mountain View. A low-income household of four could afford a \$228,000 home, while a very low-income family of four could afford a \$125,000 home. A median income household would be able to readily find a condominium or townhouse within their price range. Low-income households would find very few affordable units. Very low-income households are unlikely to find an ownership unit within their price range and would generally be limited to the rental housing market.

Renter Housing Costs

Like homes sales prices, average rents in Mountain View are high. RealFacts data indicates that in the nine-month period from the end of December 1999 to the end of September 2000, rents in Santa Clara County increased 38 percent.⁵ While subsidy programs like Section 8 help fill the affordability gaps for lower income households, HUD only allows Section 8 vouchers to be used up to a certain price level, which is termed Fair Market Rent (FMR).

FMRs are estimates of the rent plus utilities that would be required to rent privately-owned, decent, safe, and sanitary rental housing of a modest nature with suitable amenities. The calculation of FMRs is based on information from the 1990 Census, housing surveys and the Consumer Price Index for housing. The rent figures reflect the upper limits of rents that can be used in the negotiations for Section 8 contracts.

Table V-4 compares the 2000 Santa Clara County FMRs to the average rents in Mountain View in that year as published by RealFacts.⁶ (The RealFacts rents may be 5 to 10 percent higher than would be found in a full sample of all rental units.)

⁵ By mid-2001, rents were declining.

⁶ RealFacts compiles data on apartment complexes with 40 or more units. Realfacts has stated that this data is about 5 to 10 percent higher than would be found in a full sample of all rental units, which would include smaller and generally older properties with lower rents.

Table V-4
Santa Clara County FMRs Versus Average Rents in Mountain View
2000

Size	2000 FMR	2000 Average Rent
Studio	\$866	\$1,442
1BR	\$988	\$1,679
2BR	\$1,221	\$1,854
3BR	\$1,673	\$2,421
4BR	\$1,879	n.a.

Source: HUD, 2000. Realfacts

Market rents that are higher than FMRs make it difficult for persons with Section 8 vouchers or certificates to be able to find housing, since the property owners have to be willing to accept the lower rent allowed by the FMRs. Another problem is the time needed for tenants to receive approval from the Santa Clara County Housing Authority, which administers the Section 8 program, of qualifying apartments. In a hot rental market, landlords do not want to wait for approvals when non-Section 8 tenants can begin paying rent immediately. As shown in Table V-4, FMRs in Santa Clara County were substantially lower than average rents.

Lower Income Households Overpaying for Housing

Census data from 1990 show that about 40 percent (or approximately 11,911 households) of Mountain View's total households had housing problems, defined as overcrowding, overpayment for housing cost, substandard conditions, or any combination of these three factors. Overpayment—or cost burden—is the extent to which gross housing costs, including utilities, exceed 30 percent of gross household income. Severe overpayment is when these costs exceed 50 percent of gross household income. This data is not currently available from the 2000 Census.

Renter households in Mountain View had much greater percentages of households with housing problems and cost burdens than owner households in the same income brackets. Among the renter households in Mountain View, 79 percent of large families, 63 percent of elderly, 42 percent of small households, and 37 percent of all other renter households were experiencing housing problems in 1990. Among the owner households, 20 percent of elderly owners and 38 percent of other owners had housing problems.

According to the 1990 Census, 9 percent of Mountain View's households were extremely low-income (earning 30 percent of median income or less), 9 percent were very low-income (incomes between 31 percent and 50 percent of median), 9 percent were low-income, 8 percent were moderate-income, and 65 percent were above moderate-income.⁷ Household income data is not currently available from the 2000 Census.

⁷ The income category definitions vary among housing programs and the Census. For example, some programs refer to moderate-income as 81-120 percent of median income, while some define this category as 81-95 percent of median. This Housing Element will refer to the name of the income category rather than the percentage of median served.

Table V-5
Household Income Distribution, 1990
City of Mountain View

Income Category	Relation to Median	Number	Percentage
Extremely low income (ELI)	30% or less	2,761	9%
Very low income (VLI)	31% to 50%	2,716	9%
Low income (LI)	51% to 80%	2,654	9%
Moderate income	81% to 95%	2,486	8%
Above moderate income	96%+	19,380	65%

Source: U.S. Census, 1990.

Very Low Income

The Census shows that in 1990, 5,477 very low-income (VLI) households earning 50 percent or less of median income resided in Mountain View. About half of these households (2,761) were extremely low income (ELI), earning 30 percent or less of median income, and the other half (2,716) earned between 31 percent and 50 percent of median income.

Overall, among the ELI households earning 30 percent or less of median income, 77 percent reported having housing problems, 76 percent were cost burdened, and 64 percent were severely cost burdened. Among the VLI households earning between 31 percent and 50 percent of median income, 77 percent reported having housing problems, 74 percent were cost burdened, and 33 percent were severely cost burdened.

A total of 4,212 VLI households were cost burdened.

Very Low-Income Renter Households—About 76 percent of the VLI households (4,172) were renters in 1990. Among the VLI renter households:

- 85 percent were cost burdened.
- 36 percent were severely cost burdened.

Very Low-Income Owner Households—According to the 1990 Census, 24 percent of VLI households (1,305) were owner households. Among the VLI owner households:

- 51 percent (666 households) paid more that 30 percent of their income for housing.
- 22 percent (287 households) paid more than 50 percent of their income for housing.

Low Income

According to the 1990 Census, 2,654 households in Mountain View were low-income (LI) households (earning between 51 percent to 80 percent of median income). Of this group, 70 percent reported having housing problems, 63 percent (1,675 households) were cost burdened and 10 percent were severely cost burdened.

Low-Income Renter Households—There were 1,949 renter LI households in 1990. Among this group:

- 74 percent (1,442 households) were cost burdened.
- 8 percent (156 households) paid more than 50 percent of their income for housing.

Low-Income Owner Households—In 1990, 705 LI owner households resided in Mountain View. Of this group:

- 33 percent (233 households) were cost burdened.
- 16 percent (113 households) were severely cost burdened.

Moderate Income

In 1990, 2,486 households in Mountain View were moderate income. Of this group, 51 percent reported having housing problems, 42 percent were cost burdened, and 4 percent were severely cost burdened.

Moderate-Income Renter Households—Within this moderate-income group, 1,959 were renter households in 1990. Among this group:

- 46 percent were cost burdened.
- 3 percent were severely cost burdened.

Moderate-Income Owner Households—Out of 527 moderate-income owner households:

- 31 percent were cost burdened.
- 6 percent were severely cost burdened.

Renter households experience a greater need for affordable housing than owner households. Among very low-income, low-income and moderate-income households, renter households had the highest incidence of cost burden. Among very low-income households, for example, 85 percent of renter households were cost burdened while 51 percent of owner households were cost burdened. This trend is similar among low-income households, as 74 percent of low-income renter households were cost burdened as compared to 30 percent of owner households. Furthermore, senior households had the highest incidence of renter households paying over 50 percent of their income for rent. This indicates an even greater need among senior renter households for affordable housing.

Special Needs Housing Analyses and Estimated Number of Households

The Housing Element is required to examine the needs of specific subgroups of the population, such as seniors, the disabled, farmworkers, and female-headed households. These groups may have special housing needs that may not be addressed by the conventional housing market.

Disabled

Persons with Severe Mental Illness

According to the Santa Clara County Mental Health Department, mental health needs in the area continue to exceed available support services. The Department estimates that 24,000 people in the County need case management services (social worker assistance to obtain basic needs), yet only about 5,000 slots currently exist in the inventory of services, resulting in an unmet need of 19,000 case management slots. Similarly, 29,000 people in the County need mental health care, while only 19,000 people are able to be served. This leaves a gap of about 10,000 people needing services county-wide. Data specific to Mountain View is not available. Mountain View's total population in 2000 is 4.2 percent of the County's. Based on this, it is estimated that there are 400 – 450 people with mental illnesses in Mountain View who need special services. Nearly 100 percent of this population needs housing placement assistance, as well as life skills training.

Persons with Developmental Disabilities

The Housing Choices Coalition (HCC) – an agency addressing the housing needs of the developmentally disabled – reports that at least 5,600 people of all ages in the County currently have mental retardation, cerebral palsy, autism or other developmental disabilities. The San Andreas Center, a non-profit organization serving persons with developmental disabilities, estimates that 3,100 developmentally disabled adults are over the age of 18, and 1,850 (60 percent) are living at home with their parents. About 60 percent of these 3,100 developmentally disabled individuals will likely need some kind of housing. Based on Mountain View having 4.2 percent of the County's total population, it is estimated that there are about 78 residents with developmental disabilities likely to need housing. In addition, it is estimated that about 300 people (30 percent) of the 970 people who now live in community residential facilities (i.e., group homes) in the County would also choose more independent living, were it available. (Two group homes are located in Mountain View. Together, they house 27 residents.)

Many of the developmentally disabled live on Social Security income with additional income from work, family or other sources. HCC reports that it is not uncommon for a disabled adult to earn less than \$10,000, making it extremely difficult to find affordable housing.

Persons with Physical Disabilities

The State Department of Rehabilitation estimates that 88,990 handicapped households resided in Santa Clara County in 1990. If handicapped households were evenly distributed throughout the County, an estimated 3,735 disabled households lived in Mountain View.

The 1990 Census showed that persons in Mountain View with a work disability numbered 2,687, and of these, 54 were prevented from working due to their disability. The 1990 Census showed that 3,811 persons in Mountain View lived with a mobility or self-care limitation. 2000 Census data in this category is not currently available.

Currently 90 disabled persons (with physical and developmental limitations) are on the Section 8 rental assistance waiting list. No accurate figures exist for the number of housing units in the City that are handicapped accessible. The City helps physically disabled low-income households make minor accessibility modifications to their homes by funding a Home Access Program. Between 1996 and 2000, 41 home access projects were completed. The work consisted of grab bars, adaptive steps, wheelchair ramps and other similar modifications.

Persons with HIV/AIDS

Based on available health service data, approximately 3,000 to 5,000 HIV-positive persons reside in Santa Clara County. In addition, the Santa Clara County HIV Planning Council's needs assessment (1999) reported 2,953 cumulative cases of AIDS by the end of 1998. Of this, 92 percent were men and 8 percent were women. The study also showed that about 1,200 people are alive with AIDS today, of which 90 percent are men and 10 percent are women.

The assessment identified housing as a significant need among this population, and the most difficult service to obtain. Within this category, housing for families was most difficult.

Another study, entitled "HIV Medical Care Survey: An Evaluation of Persons Receiving Care for HIV/AIDS Disease," found that of the total number of people reported as receiving treatment for HIV and AIDS in Santa Clara County (1,864), 15 percent resided in north County, including Palo Alto, Mountain View, Sunnyvale, Los Altos, Alviso and Santa Clara.

As a result of new treatments, many of the individuals with HIV/AIDS are living longer lives. To maximize the likelihood that people will benefit from the new drug therapies, they need a stable living environment. Despite the fact that people are living longer, many are disabled and unable to work. As a consequence, the current housing situation for low-income people living with HIV is becoming increasingly critical. The housing options for persons with HIV/AIDS disease include temporary shelters, rent subsidies, long-term residential programs, housing referral services, hospices and emergency housing subsidies.

Seniors

The 1990 Census reported that 6,598 Mountain View residents were aged 65 and over, amounting to 10 percent of the total population. This age group increased 22 percent from 1980 to 1990. The 2000 Census reports that there are 7,416 Mountain View residents over age 65, equal to 10.5 percent of the population. This age group increased by 12.4 percent from 1990 to 2000, and also increased slightly as a portion of the total population. According to the 1990 Census, 4,611 households in Mountain View are headed by persons 65 years and older, 3,026 of which were owner households. The 2000 Census lists 4,602 households headed by persons 65 years or older; 3,118 of which were owner householders. The senior age group will likely continue to increase in the future as the "baby boomer" population ages and medical advances allow individuals to live longer.

Currently, the 593 subsidized senior housing units in the City of Mountain View house 20 percent of the City's senior renter households. The waiting lists for these units typically have

more than 100 names. The waiting period for one of these units ranges from about two to four years. The Santa Clara Housing Authority's waiting list for Section 8 rental assistance showed that as of 1999, 128 Mountain View senior households were waiting for assistance.

Among renter households, a much larger portion of seniors pay 30 percent or more of their income for rent than other households. Whereas 56 percent of senior households pay 30 percent or more of their income for rent, 25 percent of renter householders ages 15 to 64 pay this same amount. In contrast, among homeowner households, only 12 percent of senior homeowners spend 30 percent or more of their income on housing costs. Senior renter households, therefore, appear to have the greatest need for assistance with housing costs, compared to other renters or senior homeowners. Based on information from non-profit agencies that provide senior services, senior homeowners have a need for assistance with home repairs in order to maintain their homes and also support services in order to remain in their homes for as long as possible.

The Council on Aging estimates that about 17 percent of persons over the age of 65 are either mobility impaired or have some type of self care limitation. For Mountain View this means that approximately 1,122 seniors need accessible housing or some type of support services to remain independent. In 1990, four percent of the City's population consisted of seniors ages 75 and over. Older seniors are the group most likely to need assisted living or nursing care. The supply of assisted housing for the frail elderly is limited. The Long Term Ombudsman Program of Catholic Charities identifies 550 frail, chronically ill, primarily elderly residents residing in the 18 licensed long term care facilities in Mountain View. These facilities consist of five nursing facilities and 13 assisted living/residential care facilities for the elderly.

Large Households

According to the 2000 Census, approximately 7 percent of all occupied dwelling units (2,157 units) contained five or more occupants. The typical housing problem associated with large families is overcrowding. The Census defines an overcrowded household as one that has more than one person per room, excluding the kitchen and bathrooms. According to the Santa Clara Housing Authority, some large families who need three or more bedrooms are living in two-bedroom units because the larger units are not available at affordable rents. A need for more affordable three-bedroom units (and larger) currently exists in Mountain View. (See further discussion of overcrowded households below.)

Farmworkers

Currently, no significant active farming remains in Mountain View. The two active farms (a 10-acre orchard and a 15-acre farm with an on-site vegetable stand) are both family operated.

Female Headed Households

The 2000 Census shows that about 2,273 of the 31,242 of Mountain View households (7.3 percent) consisted of female-headed households. Low-income female-headed households have special needs for affordable housing and supportive housing in particular. Affordable child care is also a need for this group. Mountain View provides funds to support the Support Network

for Battered Women, which provides shelter and transitional housing. Mountain View is also working with other area jurisdictions to fund the construction of 24 housing units for domestic violence survivors. The City is also studying child care needs. Despite these efforts, a very limited supply of housing with support services for low-income female-headed households currently exists in the City.

Homeless

The City of Mountain View, along with other cities in this area and the County, takes a regional approach to homelessness. These jurisdictions jointly funded and participated in a survey of homeless individuals and families in Santa Clara County in January 1999.⁸ The survey, which was an update of a smaller survey conducted in 1995, consisted of a questionnaire that was administered to a sample of the homeless population in the County, including people in several locations in Mountain View. Unlike a census, which counts the entire population in a group, a sample survey reaches only a subset of the total population

During the survey, 2,908 homeless citizens were contacted at shelters and at other locations where homeless people congregate. From these interviews, data was collected on the characteristics of the homeless population and estimates were made of annual episodes of homelessness (an individual or family could have more than one episode of homelessness). Obtaining an accurate count of the homeless population is very difficult and some aspects of the survey were called into question. For example, the survey estimated that there were 20,000 episodes of homelessness in 1999 (compared to 16,000 in 1995). However, an independent analysis of the 1999 data found that the number of episodes was closer to 17,000. Nevertheless, the survey is the most up-to-date data available and has been accepted by several cities and the County.

This 1999 survey found that:

- Over 40 percent of the respondents reported being homeless for more than one year,—approximately the same as in the 1995 survey.
- The number of children who are homeless comprised 31 percent of the total sample count, an increase from 19 percent in 1995
- Children in the 1999 survey were older than their counterparts in the 1995 survey. Of the total number of homeless children in families, 60 percent were under the age of 12, a decrease from 74 percent in 1995
- The number of working homeless has increased from the 12 percent reported in a 1989 survey, to 24 percent in 1995, to 34 percent in 1999

The raw data for Mountain View was unavailable.

Another indicator regarding homelessness comes from the Housing Authority's waiting list information. The following table shows this information for the various cities in the County,

⁸ "1999 Santa Clara County Homeless Survey," September 8, 2000.

including Mountain View. Among the 280 Mountain View residents on the waiting list, 14.3 percent identified themselves as homeless.

The homeless population in Mountain View is currently served by several local shelters and programs as described in Section XI, Description of Programs. The City also contributes CDBG funds to shelters in both San Mateo and Santa Clara Counties.

**Table V-6
Homeless Households on Housing Authority Wait List
As of 1999**

City	Number of Total HHs on Wait List	Number of Homeless HHs on Wait List	Homeless HHs As percentage of Total HHs on Wait List	Percentage of Countywide Homeless HHs
Campbell	434	40	9.22%	0.92%
Cupertino	138	13	9.42%	0.30%
Gilroy	1,017	253	24.88%	5.82%
Los Altos	22	2	9.09%	0.05%
Los Altos Hills	0	0	0.00%	0.00%
Los Gatos	116	23	19.83%	0.53%
Milpitas	887	107	12.06%	2.46%
Monte Sereno	1	0	0.00%	0.00%
Morgan Hill	358	65	18.16%	1.49%
Mountain View	280	40	14.29%	0.92%
Palo Alto	304	54	17.76%	1.24%
San Jose	19,525	2,860	14.65%	65.76%
Santa Clara	1,225	134	10.94%	3.08%
Saratoga	46	6	13.04%	0.14%
Sunnyvale	949	109	11.49%	2.51%
Outside Santa Clara County	3,020	643	21.29%	14.79%
TOTAL	28,322	4,349	15.36%	100.00%

Source: Santa Clara County Housing Authority.

Other

Small Households

According to the 2000 Census, 10,773 two-person households (35.6 percent of the total number of households) and 11,133 one-person households (34.5 percent). Often, small households consist of young adults starting out in the workforce, the elderly, and single-parent households. Individuals in entry level jobs, persons in low-paying service jobs, the elderly living on pensions,

and single parent-households having the extra expense of day care costs are often paying a high percentage of their income for rent.

In 1999, 211 of the Mountain View applicants on the Housing Authority's waiting list for Section 8 rental assistance are single-person households, representing 38 percent of the 560 Mountain View residents on this waiting list. The Housing Authority has identified a need for additional affordable housing options, such as efficiency studio units for very low-income single-person households. A 110-130 unit efficiency studio development is in the planning stages to meet this need in Mountain View. The City has identified a site and committed local match funding for this project, which is expected to be available for occupancy in 2004.

Number of Overcrowded Households

The typical housing problem associated with large families is overcrowding. The Census defines an overcrowded household as one that has more than one person per room, excluding the kitchen and bathrooms. Approximately 2,437 occupied housing units (8 percent of the total occupied dwelling units) in 1990 were overcrowded. Equivalent data from the 2000 Census is not yet available. Of these, the vast majority (2,165) were renter-occupied units and 272 were owner-occupied units. In 1980, 5 percent of the total occupied units were considered overcrowded, thus indicating that overcrowding is becoming more prevalent, probably as a result of higher housing costs. Overcrowding seems to be a problem in particular for very low-income large renter households. Overcrowding is a problem for 72 percent of this group and 92 percent of those households earning 30 percent or less of median income. While white households have the smallest household size, Hispanic, Asian and African-American households have the largest household sizes (after the "Other" category), indicating that overcrowding may especially be a problem for these groups.

Number of Units Needing Rehabilitation or Replacement

Mountain View, like many of California's metropolitan communities, experienced rapid growth after World War II, and thus has relatively new housing. Only a small percentage of Mountain View's housing was built before 1939. Since much of the City's housing stock is less than 50 years old, and because many property owners are making improvements to their homes in response to the tight housing market, the housing stock in Mountain View is generally in good condition.

In determining the condition of the existing housing stock and the need for its preservation and improvement, the 1990 Census information is not sufficient, because the Census defined unsound buildings as those without plumbing or without kitchens. Few units in Mountain View have these shortcomings, but may need rehabilitation for other reasons. The Census therefore does not provide the level of specificity needed to accurately gauge the housing rehabilitation needs of the community.

A strong economy and a tight housing market have resulted in sharp increases in the demand for housing. This in turn has prompted property owners to invest in properties needing rehabilitation, or developers to purchase such properties for development. As a result, housing units in

Mountain View are, overall, in good condition. In the last three to four years, at least 900 units have undergone major rehabilitation by the building owners.

For low-income homeowners who may not be able to afford repairs to their properties, the City operates a house repair program using its CDBG funds. About 20 owner-occupied units are repaired each year under this program. Furthermore, the City's multi-unit inspection program inspects 3,000 to 4,000 units per year for housing code deficiencies. Deficiencies that are discovered must be corrected. Each year, the City returns to re-inspect and sign off on about 265 of these units with deficiencies.

Despite these City programs and private initiatives, as buildings age or are not well maintained, an increasing number of units may need rehabilitation or may need to be replaced. The City has reviewed the Census data regarding age of housing stock for assistance in determining the number of units in need of rehabilitation or replacement. About 3 percent of the housing stock was built in 1939 or earlier. Most of the housing stock is relatively new, with 36 percent built since 1970 and 55 percent built between 1950 and 1970. A large number of rental units, 57 percent of the rental housing stock, were built between 1960 and 1979. The following table shows the distribution of units by age according to the 1990 Census.

**Table V-7
Age of Housing Stock in 1990
City of Mountain View**

Year Built	Owner Occupied	%	Renter Occupied	%	Total Occupied	%
1980 to March, 1990	1,472	13%	1,867	10%	3,299	11%
1970 to 1979	2,717	24%	4,667	25%	7,498	25%
1960 to 1969	2,491	22%	6,720	36%	9,297	31%
1950 to 1959	3,283	29%	3,920	21%	7,198	24%
1940 to 1949	906	8%	933	5%	1,799	6%
1939 or earlier	453	4%	560	3%	900	3%
Total	11,322		18,668		29,990	

Source: 1990 Census.

Using the assumption that in each age category, an increasing percentage of units is in need of rehabilitation as the stock ages, the City estimates that approximately 1,900 units are in need of rehabilitation, or 6 percent of the housing stock in 1990. Of this figure, about 95 percent can be repaired (1,805 units) while 5 percent must be replaced (95 units).

Analysis of Existing Assisted Housing Projects at Risk

A major accomplishment under the 1990 Housing Element is the City's success during the past 19 years in preserving all but one of the affordable housing units that were at risk of being converted to market rate housing. Five housing developments (Central Park, Monte Vista

Terrace, Shorebreeze, Sierra Vista I, and Tyrella Gardens), totaling 509 units, were preserved as affordable housing. These developments were built over the past three decades, using federal programs that required low-income use restrictions in exchange for federal subsidies. The restrictions on these properties were expiring. After expiration, the owners would have been able to terminate the low-income use of the properties by prepaying the federal loan and converting the properties to market-rate housing. The City used its available CDBG, HOME and local housing funds to help assist non-profit organizations to purchase these properties and preserve them as affordable housing. A sixth project, consisting of 48 units at Villa-Mariposa, was not preserved. It had rent restrictions that expired in March 2001. This project was funded with Mortgage Revenue Bonds.

Another property, 12 family units at Fairchild Apartments, was refinanced by the private property owner under the Title VI low-income Housing Preservation Act and therefore is not currently identified as a property at risk of being converted to market rate housing.

The affordability of the preserved properties, including the Fairchild Apartments, is still dependent upon the continued availability of the Section 8 program. The uncertainty surrounding the funding of this program has created several problems. First, tenants are uncertain from year to year whether the affordability of their units will continue. And second, the non-profit property owners may be deferring maintenance needs due to concerns about the availability of operating revenue from year to year.

The following is a table summarizing the subsidized housing (855 units) in Mountain View.

**Table V-8
Affordable Housing Developments
City of Mountain View**

Development	Total Units	Subsidized Units	Units for Seniors	Income Targeting	
				Very Low <50%	Low<66%
Previously At Risk Units Preserved as Affordable Housing					
Central Park Apts. 90 Sierra Vista Ave.	149	149	148	1	147
Fairchild Apts. 159 Fairchild Drive	18	12	0	12	0
Monte Vista Terrace 1101 Grant Road	151	150	135	150	0
Shorebreeze Apts. 460 N. Shoreline Blvd.	120	120	72	2	117
Sierra Vista I 1909 Hackett Ave.	34	34	0	34	0
Tyrella Gardens 449 Tyrella Ave.	56	56	8	42	14
All Other Affordable Units (Not at Risk)					
Maryce Freelen Place 2230 Latham Street	74	74	0	72	2
The Fountains 2005 San Ramon Ave.	124	123	123	117	6
Ginzton Terrace 375 Oaktree Drive	107	105	107	107	0
San Veron Park 807 San Veron Ave.	32	32	03	23	9

Source: City of Mountain View

Five Year Projected New Construction Needs

Mountain View's "new construction need" incorporates a share of the regional housing needs as identified by ABAG. The regional need includes the existing and projected regional demand for housing, taking into account market demand, employment opportunities, availability of suitable sites and public facilities, commuting patterns, and type and tenure of housing.

Santa Clara County has a jobs/housing imbalance that has resulted in a strong demand for housing and high housing costs. The economy rebounded strongly from the recession of the early 1990s, and, as a result, Mountain View experienced an extremely tight housing market as new high-tech workers have moved into Silicon Valley. Poorer residents have been priced out of once-affordable dwellings by higher income households who are able to afford higher rents. Only since early 2001 has the pressure begun to let up. In addition, the scarcity of land for new development has made building additional new units increasingly expensive.

Employment Trends

Mountain View, like many other cities in Santa Clara County, has a jobs/housing imbalance. In 1990, ABAG reports that the City had 61,490 jobs and 44,054 employed residents; a 15 percent

increase in employed residents over 1980, but only a 3 percent increase in jobs. From 1990 to 2000, this trend reversed as the Silicon Valley job market heated up. Between 1990 and 2000, Mountain View experienced more than a 22 percent increase in jobs and only about an 8 percent increase in employed residents.

Table V-9
Jobs per Employed Resident, 1990-2010⁹
City of Mountain View

	1990	2000	Percent Change 1990-2000	2010	Percent Change 2000-2010
Employed Residents	44,054	47,556	8.0%	50,500	6.2%
Jobs	63,490	77,370	21.9%	84,810	9.6%
Jobs per Employed Resident	1.44	1.63		1.68	

Source: ABAG "Projections 2002"

A very large percentage of Mountain View's population is in the workforce: 78 percent of persons 16 years and over are in the workforce compared to 73 percent countywide. This is reflective of a large percentage of the population being in their prime work years and also the large number of households with all adults working. In addition, 70 percent of the female population is in the workforce, compared to 64 percent countywide.

Like much of the rest of Santa Clara County and the Bay Area, Mountain View has enjoyed low unemployment rates in recent years. The State Department of Employment Development (EDD) shows that the unemployment rate for Santa Clara County in January 2001 was extremely low, at 1.7 percent. However, the economic downturn beginning in early 2001 has led to a rapid rise in unemployment—to 4.7 percent in July 2001.

The three major components of Mountain View's economy have been manufacturing, retail/administrative and services. ABAG's projections show that Mountain View will enjoy steady growth in all sectors of employment between 2000 and 2010. However, the total number of jobs will increase less than the County as a whole (10 percent versus 13 percent), most likely due to the lack of available sites for new development. The following table shows the expected growth in various employment areas.

⁹ Because 'Jurisdictional' boundary figures are per ABAG for "employed residents," "Sphere of Influence" figures, which include Moffett Federal Airfield, are used for both "employed residents" and "jobs" to provide a more accurate ratio of jobs per employed resident.

Table V-10
Projected New Jobs per Employment Sector¹⁰
City of Mountain View

Sector	Number of New Jobs 2000-2010	Percentage Change 2000-2010
Manufacturing/Wholesale	2,670	11.4%
Retail/Administrative	990	10.6%
Service	750	2.8%
Other Jobs	3,030	17.6%

Source: ABAG "Projections 2002"

Income Trends

Over the past 10 years, household incomes in Santa Clara County have increased at a significantly faster rate than household incomes in the Bay Area. As the incomes of wealthier households have risen, lower income households have been priced out of the already tight housing market. This trend has exacerbated the County's housing crisis.

Table V-11
Change in Mean Household Income, 1990-2010
Santa Clara County Compared to Bay Area
 In Constant 2000 Dollars

	Mean Household Income			Growth Rate	Growth Rate	Growth Rate
	1990	2000	2010	1990-2000	2000-2010	1990-2010
Santa Clara County	\$83,600	\$114,600	\$122,800	39.2%	7.2%	38.3%
Bay Area	\$76,200	\$93,800	\$100,400	23.1%	7.0%	31.8%

Source: ABAG "Projections 2002"

Population and Household Trends

As illustrated earlier, the 2000 Census showed a population in Mountain View of 70,708, an increase of 4.8 percent since 1990. ABAG projects that over the next ten years, the population will increase by about 6.4 percent, slightly faster than in the past. Table IV-2 shows that the number of households grew only 4.2 percent from 1990 to 2000. Over the next 10 years, however, the number of households is projected to increase by 5 percent.

¹⁰ Because 'Jurisdictional' boundary figures are not available per ABAG, 'Sphere of Influence' figures are used, which include Moffett Federal Airfield.

Share of Region's Housing Needs

The Regional Housing Needs allocation process is a State of California requirement, devised to address the need for and planning of housing across a range of affordability and in all communities throughout the State. The State HCD initially projects the state-wide housing need, and then allocates a portion to each region in California. According to ABAG, the regional numbers supplied by HCD are "goals" and are not meant to match the already anticipated growth in housing units. The housing unit need allocation takes into account a desired vacancy rate, potential growth rates (population, jobs, households) and loss of housing due to demolition. The regional goal is then broken into income categories.

Each jurisdiction in the Bay Area (101 cities, nine counties) is then allocated a share of the anticipated regional housing need. The Bay Area's total regional housing need is allocated to each local jurisdiction through a process managed by ABAG.

ABAG used an allocation methodology which is based on the numbers in "Projections 2000". It takes into account both household and job growth during the seven-and-a-half year period from January 1, 1999 through June 30, 2006. This growth is weighted to 50 percent households and 50 percent jobs (jobs/housing balance adjustment) to determine a regional allocation factor (the share of regional growth) to be applied to each jurisdiction. The methodology also distributes a share of housing to each jurisdiction by income category. It does so by moving each jurisdiction's income percentages 50 percent toward the regional average. In essence, each allocation is based on the anticipated growth in a particular jurisdiction and the percentage of the expected regional growth this figure represents.

According to ABAG's November 2000 Regional Housing Needs Determination, Mountain View needs 3,423 new units between January 1, 1999 and June 30, 2006, or an average of 456 new units per year. The actual growth in housing has been much slower—housing production has varied from 15 units in 1990 to 386 units in 2000.

The percentages for the four different income categories are shown in Table V-12 below. ABAG's methodology seeks to avoid further impact on localities that already have relatively high proportions of lower income households. The existing percentage of lower income households in Mountain View exceeds the county and regional averages. Thus, Mountain View's new housing allocations are lower for low-income households and higher for above moderate-income households compared to the percentages for the same categories in neighboring communities.

Table V-12
Seven and a Half Year Housing Need as Projected by ABAG
January 1, 1999 – June 30, 2006

Income Group	Projected Seven and a Half Year Unit Need	
Very Low Income (0–50%)	698	20%
Other Lower Income (50–80%)	331	10%
Moderate-income (80–120%)	991	29%
Above Moderate (over 120%)	1,403	41%
Total	3,423	100%

Source: ABAG, “Housing Needs Determinations,” November 2000.

HCD requires that Mountain View project new construction needs over the next five years. As noted, Mountain View’s housing needs are approximately 456 units per year. This annual figure multiplied by five results in an estimated need for 2,280 units over the next five years (July 1, 2001 through June 30, 2006).

During 1999 and 2000, 660 units of housing were built in Mountain View. These units are affordable to moderate and above moderate-income households. A 110-130 unit efficiency studio development recently approved by the City Council and in the planning stages is projected to be available for occupancy in 2004.

Table V-13
HCD-Required Five-Year New Construction Needs Estimate
July 1, 2001 – June 30, 2006
City of Mountain View

Income Category	Five-Year New Construction Need
Very Low-income	465
Other Lower-income	220
Moderate-income	660
Above moderate-income	935
Total Units	2,280

Source: ABAG, “Housing Needs Determinations,” November 2000.